

D/F

RD 10/24/19
J.B.

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D.N.Y.

★ OCT 24 2019 ★

BROOKLYN OFFICE

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
BETHPAGE FEDERAL CREDIT UNION,

Plaintiff,

-against-

EVGENY FREIDMAN AKA EVGENY A.
FREIDMAN

Defendant.

-----X

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X

IN RE: KABBALAH TAXI INC., et al.,

Debtors.

-----X

BETHPAGE FEDERAL CREDIT UNION,

Plaintiff,

-against-

EVGENY FREIDMAN AKA EVGENY A.
FREIDMAN; MASERATI TAXI INC.; SSHRI
TRANS CORP.; MONTE CARLO TAXI INC.;
GSTAAD TAXI LLC; SMIRNOFF TAXI, LLC;
PROVANCE TAXI INC.; YOUNG CAB CORP.;
KABBALAH TAXI INC.; GENEVA TAXI INC.;
FERCO HACKING CORP., DEVIL DOG TAXI
LLC, DIAMOND CASTLE TAXI INC., AND
BARCELONA TAXI INC.

Defendants.

-----X

NICHOLAS G. GARAUFIS, United States District Judge.

This matter concerns a non-core adversary proceeding pending before the United States
Bankruptcy Court for the Eastern District of New York to recover under guaranties of loans

ORDER

18-MC-2124 (NGG)

CHAPTER 7

17-45743 (CEC)

ADV. PRO. NO.: 18-1016 (CEC)

made to business entities controlled by Defendant Evgeny Freidman, Bethpage Federal Credit Union v. Evgeny Freidman, et al., No. 18-1016 (CEC) (Bankr. E.D.N.Y.) (the “Adversary Proceeding”), which is related to the Chapter 7 bankruptcy petitions of all defendants to the Adversary Proceeding except Freidman, jointly administered by Chief Judge Carla E. Craig of the United States Bankruptcy Court for the Eastern District of New York under the caption In re Kaballah Taxi Inc., No. 17-45743 (CEC) (Bankr. E.D.N.Y.). Plaintiff originally commenced the Adversary Proceeding in the New York County Supreme Court before removing it to the Southern District of New York pursuant to 28 U.S.C. § 1441 on November 22, 2017. (See Notice of Removal, Bethpage Federal Credit Union v. Evgeny Freidman, et al., No. 18-cv-325 (NGG) (E.D.N.Y. Nov. 22, 2017) (the “Original Proceeding”) (Dkt. 1).) On January 11, 2018, the Southern District of New York (Swain, J.) granted Plaintiff’s motion to transfer the Original Proceeding to the Eastern District of New York, where it was assigned to this court. (See Jan. 11, 2018 Order Granting Mot. to Transfer Venue, Original Proceeding (Dkt. 31).) Thereafter, on February 2, 2018, this court granted Plaintiff’s motion to transfer this case to the Bankruptcy Court for the Eastern District of New York. (See Feb. 2, 2018 Order, Original Proceeding (Dkt. 36).)

On April 20, 2018, Plaintiff moved for summary judgment and to strike Freidman’s affirmative defenses in the Adversary Proceeding. (See Mot. for Summ. J., Adversary Proceeding (Dkt. 7).) Freidman did not oppose the motion and, on June 19, 2018, Judge Craig granted Plaintiff’s motion and directed Plaintiff to file a proposed judgment. (See June 19, 2019 Order, Adversary Proceeding (Dkt. 9) at 2.) Because the parties did not consent to have final judgment entered by the bankruptcy court, on July 20, 2018, Judge Craig submitted proposed findings of fact and conclusions of law recommending that Plaintiff be awarded damages in the

amount of \$21,345,911.42 plus post-judgment interest at the statutory rate from the date of entry of judgment. (See Proposed Findings of Fact & Conclusions of Law (“Proposed Judgment”), Adversary Proceeding (Dkt. 13) at 1.) On August 7, 2018, the Proposed Judgment was transmitted to this court pursuant to 28 U.S.C. § 157(c)(1).

This court has jurisdiction over this proceeding pursuant to 28 U.S.C. § 1334(b) and the Eastern District of New York’s standing order of reference, as amended on December 5, 2012. See Standing Order, In the Matter of The Referral of Matters to the Bankruptcy Judges, available at <https://img.nyed.uscourts.gov/files/general-ordes/Order12052012.pdf> (E.D.N.Y. Dec. 5, 2012). Pursuant to 28 U.S.C. § 157(c)(1), this court must enter final judgment in this proceeding “after considering the bankruptcy judge’s proposed findings and conclusions and after reviewing de novo those matters to which any party has timely and specifically objected.”

No party has objected to the Proposed Judgment. Further, the court, having reviewed Plaintiff’s submissions in the Adversary Proceeding and considered the Proposed Judgment, discerns no basis to disturb Judge Craig’s determinations of law and fact. Accordingly, the court hereby ADOPTS IN FULL the Proposed Judgment, GRANTS summary judgment for Plaintiff, and awards Plaintiff damages in the amount of \$21,345,911.42 plus post-judgment interest at the statutory rate from the date on which judgment is entered.

SO ORDERED.

Dated: Brooklyn, New York
October 23, 2019

s/Nicholas G. Garaufis

U

NICHOLAS G. GARAUFIS
United States District Judge